

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2143 - SB 2122

March 17, 2009

SUMMARY OF BILL: Abolishes the Tennessee Higher Education Commission (THEC), the Tennessee Board of Regents (TBR), and the University of Tennessee Board of Trustees (UT) on July 1, 2010. Requires THEC, TBR, and UT to present a plan to restructure the governance of higher education in Tennessee to the General Assembly by the last Monday in January 2010. The General Assembly is not bound to adopt their plan. If under the plan, TBR and UT are maintained as separate entities, the plan shall not alter the composition of the respective boards.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$150,000/One-Time

Other Fiscal Impact - The Tennessee Higher Education Commission, the Tennessee Board of Regents, and the University of Tennessee Board of Trustees will terminate on July 1, 2010. The bill requires the three systems of governance to develop a restructuring plan for higher education to be presented to the General Assembly before January 2010. Any additional impact resulting from enactment of the bill will be dependent on the plan developed and approved for implementation by the General Assembly.

Assumptions:

- Increase in one-time state expenditures of approximately \$150,000 for the development of a restructuring plan for higher education. Of this amount \$120,000 will be for three additional joint meetings of all three boards (50 individuals plus staff), and approximately \$30,000 will be for consultant and professional services.
- Responsibilities and duties required to be carried out by the three higher education systems of governance are expected to remain but may be streamlined to create a more efficient system of governance.
- If one or more existing systems are eliminated, the functions of those systems will be merged into the remaining governance structure.

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CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

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